

Exhibit 22

Deposition of Lorenzo J. Fertitta (March 23, 2017) (excerpted)

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

Cung Le, Nathan Quarry, Jon)
Fitch, on behalf of)
themselves and all others)
similarly situated,)
)
 Plaintiffs,)
)
v.) Lead Case No.
) 2:15-cv-01045-RFB-(PAL)
Zuffa, LLC, d/b/a Ultimate)
Fighting Championship and)
UFC,)
)
 Defendant.)
_____)

C O N F I D E N T I A L

VIDEOTAPED DEPOSITION OF LORENZO J. FERTITTA

Las Vegas, Nevada

March 23, 2017

9:09 a.m.

REPORTED BY:
CYNTHIA K. DuRIVAGE, CSR #451
JOB NO. 49608

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<p style="text-align: right;">22</p> <p>1 in those sanctioning organizations between the WBC, 2 the WBA, the IBF, the WBO. The list kind of goes on 3 and on. I can't name them all because I can't 4 remember.</p> <p>5 Many of those organizations were also 6 located offshore. I believe the WBC was 7 headquartered in Mexico. I believe the WBC was 8 headquartered in, I want to say, Argentina or one of 9 the South American countries.</p> <p>10 In addition to that, there had been widely 11 publicized, I would say, sting options that in fact 12 the FBI did with the IBF where there had been -- they 13 had been accused of accepting payment from promoters 14 to move their fighters into different rankings to get 15 title shots for some of their fighters.</p> <p>16 So as you can see, boxing was kind of 17 wrought with problems and with corruption. And I 18 believe that's what the Ali Act's real main role was 19 was to try to rid the sport of corruption.</p> <p>20 Q. And one of the ways it did that was by 21 legislating a determination of who got a fight?</p> <p>22 A. No.</p> <p>23 Q. If I understood you, you said that that was 24 one of the issues with boxing at the time you believe 25 that led to the Ali Act?</p>	<p style="text-align: right;">24</p> <p>1 a personal opinion.</p> <p>2 Q. Okay. You also mentioned rankings. I 3 think you said that there was an issue with respect 4 to, you tell me if I'm not characterizing this 5 correctly, but essentially the reliability of 6 rankings.</p> <p>7 Is that accurate?</p> <p>8 A. Yes. I believe that there was a 9 credibility issue with the ranking systems of some of 10 the sanctioning organizations.</p> <p>11 Q. And was that because the rankings lacked 12 transparency?</p> <p>12 A. Yes. I believe that there was a 13 transparency issue.</p> <p>14 But I also think that part of the issue was 15 that there -- that the sanctioning organizations -- 16 yeah, I guess because of lack of transparency, yes.</p> <p>17 Q. Okay. All right.</p> <p>18 Is it fair to say that you've started or 19 participated in the inception of a number of 20 different for-profit enterprises?</p> <p>21 A. Yes.</p> <p>22 Q. Okay. And in doing so, have you risked 23 capital in each of those various entities?</p> <p>24 A. Yes.</p>
<p style="text-align: right;">23</p> <p>1 A. Yes. I believe that corruption overall was 2 one of the issues because there was fairly 3 well-documented cases where the accusations were that 4 promoters would pay, or bribe, I guess, would be a 5 stronger word, the sanctioning organizations to give 6 their fighter an advantage versus other fighters.</p> <p>7 Q. And as a result, an individual who received 8 a fight might not receive it on the basis of their 9 merit but on the basis of something else?</p> <p>10 A. Yes.</p> <p>11 Q. Okay. You also mentioned there was an 12 issue with titles. What was the issue with the 13 titles?</p> <p>14 A. No, I didn't say that there was an issue 15 with titles. I said that there was a lot of titles.</p> <p>16 Q. There were a lot of titles?</p> <p>17 A. Yes.</p> <p>18 Q. And was the fact that there was more than 19 one title problematic from your point of view?</p> <p>20 A. No. From my point of view as a 21 commissioner, it didn't really matter to me who the 22 sanctioning organization was or how many titles there 23 were.</p> <p>24 In my personal opinion, I believe it 25 created confusion for the consumer. But that's just</p>	<p style="text-align: right;">25</p> <p>1 Q. Okay. And is it fair to say that when most 2 new businesses start, someone is risking capital?</p> <p>3 A. Yes.</p> <p>4 Q. And when you started new businesses, have 5 you also given up opportunity costs, that is, the 6 opportunity to do something else?</p> <p>7 A. No.</p> <p>8 Q. No? So the theory that time is finite, and 9 you only have so much time to devote to one issue or 10 one business or enterprise versus another?</p> <p>11 A. No, because I think it depends on what your 12 level of involvement is.</p> <p>13 I mean, you can start a business just being 14 an investor, kind of a silent partner.</p> <p>15 Q. Okay.</p> <p>16 A. You can also start a business and be very 17 involved and be more of what I would call a hands-on 18 entrepreneur.</p> <p>19 Q. Okay. And the various businesses that you 20 have -- well, let me withdraw that.</p> <p>21 The various for-profit enterprises that you 22 have been involved with and that you have started, is 23 it fair to say, have been very successful 24 financially?</p> <p>25 A. Yes, some of them have. Some of them</p>

7 (Pages 22 to 25)

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<p>1 haven't.</p> <p>2 Q. Right. And collectively, the success of 3 those various for-profit enterprises have enabled you 4 to become a billionaire, correct?</p> <p>5 A. Yes.</p> <p>6 Q. The fact that you're, say, one of the 7 thousand or so richest people on earth; is that 8 correct?</p> <p>9 A. Yes. According to certain magazines, that 10 is the case.</p> <p>11 Q. Around the time your tenure as a Nevada 12 State Athletic Commissioner was coming to an end, you 13 became involved in the sport of mixed martial arts; 14 is that correct?</p> <p>15 A. No.</p> <p>16 Q. Okay. Did there come a time when you 17 purchased an entity called UFC?</p> <p>18 A. Yes.</p> <p>19 Q. And what was the UFC?</p> <p>20 A. The UFC was a organization, a business, 21 that was started in 1993, I believe November of 1993. 22 It was originally conceived by the Gracie family in 23 Brazil.</p> <p>24 Their interest was they had migrated from 25 Brazil to California, and they had -- excuse me.</p>	<p>26</p> <p>1 that did not have an athletic commission, which of 2 course is the regulatory body that would oversee 3 combat, unarmed combat in any given state.</p> <p>4 So they essentially went in. Nobody could 5 tell them not to do it. The arena agreed to it.</p> <p>6 They were able to secure a pay-per-view 7 distribution with the help of a gentleman by the name 8 of Bob Meyrowitz who was in the business of 9 distributing pay-per-views.</p> <p>10 At the time, distributing pay-per-view was 11 very complicated because, you know, in todays world 12 you have maybe a handful of pay-per-view companies 13 between the satellite and cable companies with all 14 the consolidation.</p> <p>15 Back then my understanding was there was 16 literally hundreds, if not a thousand, different 17 cable companies each sitting around the 18 United States. So you needed someone to aggregate 19 all of it for you, and that's what Bob's company did.</p> <p>20 They put the event on, and from what I'm 21 told, they never even really intended to start a 22 business. The idea was to put on an event. There 23 was never an intention to do UFC 2 or 3 or 4 or, for 24 that matter, 208.</p> <p>25 They were wildly successful. They were</p>
<p>27</p> <p>1 They had developed a form and a style of fighting 2 called Brazilian jujitsu.</p> <p>3 At the time, going back to the early '90s, 4 ground fighting, which Brazilian jujitsu is, that 5 technique was not very well-known by what I would 6 call the western culture or at least in America.</p> <p>7 Historically, martial arts were what I 8 would call the traditional martial arts that included 9 stand-up fighting like Karate, Taekwondo, Judo, 10 things of that nature.</p> <p>11 Their interest was to prove, at least in 12 their belief, that jujitsu was the dominant martial 13 art.</p> <p>14 And in order to do that, they felt like 15 that they wanted to create a challenge that would pit 16 fighters from different disciplines, and they decided 17 to put in one of their family members, Royce Gracie, 18 into this tournament.</p> <p>19 They partnered with some individuals that 20 had a background in, I guess you would call it 21 entertainment promotion, and they conceived this idea 22 called the Ultimate Fighting Championship.</p> <p>23 They rented an arena in Denver, Colorado. 24 My understanding is that they went to Colorado 25 specifically because it was one of the few states</p>	<p>29</p> <p>1 actually profitable.</p> <p>2 And because of that, they decided to do</p> <p>3 UFC 2. Obviously UFC 3, UFC 4, et cetera.</p> <p>4 Q. And at some point, you participated with 5 others in the purchase of that business?</p> <p>6 A. I purchased the UFC along with my brother 7 Frank in January of 2001.</p> <p>8 Q. Did anyone -- that's Frank Fertitta, 9 correct?</p> <p>10 A. Yes.</p> <p>11 Q. Okay. Did anyone other than you and your 12 brother Frank Fertitta participate in the purchase of 13 the UFC in January of 2001?</p> <p>14 A. At the creation and outset of the entity 15 that purchased the assets of the UFC, which is called 16 Zuffa, it was an LLC structure, the only shareholders 17 were myself and my brother Frank. We were 50/50 18 partners.</p> <p>19 Q. So I want to understand the timing. This 20 is January of 2001.</p> <p>21 At the time that you purchased Zuffa with 22 your brother Frank, were you still a member of the 23 Nevada State Athletic Commission?</p> <p>24 A. No.</p> <p>25 Q. And I believe you testified that you became</p>

8 (Pages 26 to 29)

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<p style="text-align: right;">30</p> <p>1 a member of the Nevada State Athletic Commission in 2 1996 or 1997 and were a member for approximately four 3 years?</p> <p>4 A. Yes.</p> <p>5 Q. Okay. And so, do you recall how long you'd 6 been off of the Nevada State Athletic Commission 7 before you and your brother Frank purchased the UFC 8 in January of 2001?</p> <p>9 A. I believe it was roughly six months.</p> <p>10 Q. And did you leave the Nevada State Athletic 11 Commission in anticipation of your purchase of UFC?</p> <p>12 A. No.</p> <p>13 Q. And what did you and your brother pay for 14 the UFC when you purchased it in January of 2001?</p> <p>15 A. The original purchase price at closing was 16 \$2 million.</p> <p>17 Q. And did you have a role at UFC -- at the 18 UFC and then ultimately Zuffa that was something 19 other than simply owner?</p> <p>20 A. I did not have an executive title or an 21 executive role.</p> <p>22 Being the what I would call the controlling 23 shareholder along with my brother, we certainly 24 weren't silent partners. We were involved in the 25 business. But I would say not in a management,</p>	<p style="text-align: right;">32</p> <p>1 member as well.</p> <p>2 Q. Okay.</p> <p>3 A. And by that time, Dana would have been an 4 equity partner in the LLC.</p> <p>5 Q. And did the composition of the board of 6 directors of Zuffa change at some time thereafter?</p> <p>7 A. Yes.</p> <p>8 Q. And how did it change?</p>     
<p style="text-align: right;">31</p> <p>1 day-to-day, executive day-to-day role.</p> <p>2 Q. Is there a time when you came to take on 3 executive or day-to-day management duties at Zuffa?</p> <p>4 A. Yes.</p> <p>5 Q. Okay. When was that?</p> <p>6 A. That was approximately 2007 or 2008.</p> <p>7 Q. And did you have a title at Zuffa?</p> <p>8 A. Yes.</p> <p>9 Q. And what was that title?</p> <p>10 A. Chief executive -- chairman and chief 11 executive officer.</p> <p>12 Q. That is chairman of the board?</p> <p>13 A. Yes.</p> <p>14 Q. And that was in 2007, you became chairman 15 of the board, approximately?</p> <p>16 A. Yes. My testimony was 2007 or 2008.</p> <p>17 Q. Okay.</p> <p>18 A. I can't remember the exact month that I 19 went over there, but it was around that time.</p> <p>20 Q. Okay, understanding that.</p> <p>21 At the time that you became chairman of the 22 board of Zuffa, who were the other board members?</p> <p>23 A. There were -- it was an LLC structure.</p> <p>24 There was essentially me, my brother Frank, 25 and I believe Dana White would have been a board</p>	<p style="text-align: right;">33</p>      

9 (Pages 30 to 33)

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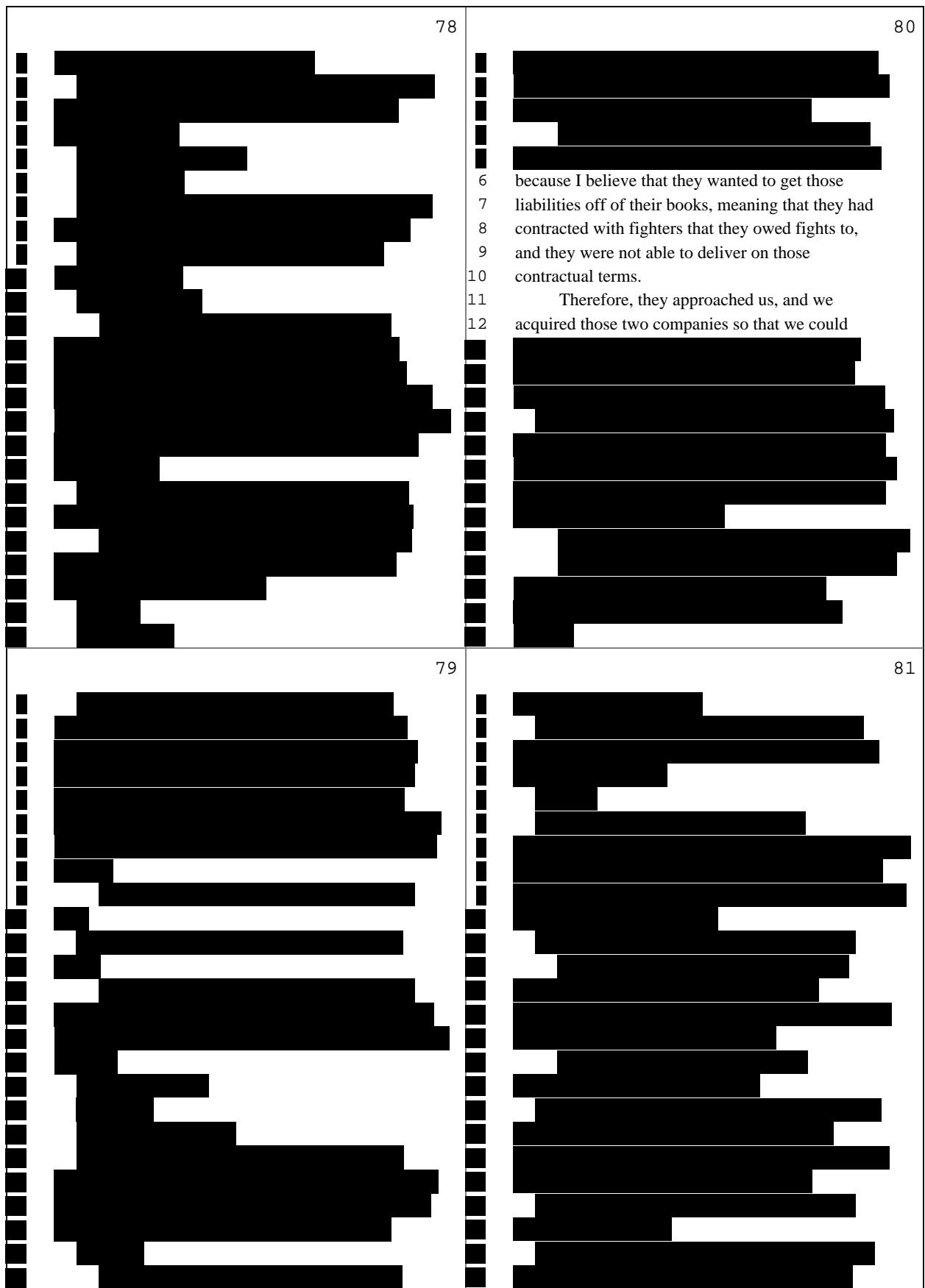
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1 THE WITNESS: Yes. 2 BY MR. DELL'ANGELO: 3 Q. And let's begin with WEC. 4 Did Zuffa consider WEC to be a competitor 5 at the time that it acquired it? 6 A. The way that we looked at WEC was a little 7 bit different from this standpoint. WEC was a regional promotion that was producing events that 8 primarily highlighted fighters in the lower weight classes that the UFC -- that we at the time did not have. 9 So that particular acquisition, we didn't look at it as a competitive promotion inasmuch as we 10 looked at it as a strategic acquisition because it was going to be additive and allow our company to increase the output that we would generate. 11 Q. That is because it enabled the UFC to acquire fighters in lower weight classes that at the time of the acquisition that they didn't have? 12 A. No. 13 Q. Okay. Then why is it then? 14 A. When we originally purchased the WEC, we decided that we were going to continue to operate the WEC as a separate division maintaining the WEC brand. 15 We had an infrastructure, albeit not huge,	74	1 the WEC promoted fights in North America? 2 A. My recollection is that at that time, King of the Cage, which was a well-run organization who had distribution deals, I believe it was operated by, maybe owned by Terry Treblecock. 3 And forgive me because we're talking about a large time period, so we're talking about a big span. 4 Possibly K-1 would have promoted fights in North America. 5 There was a number of promoters that promoted fights in that weight class -- in those weight classes. 6 Q. That you could -- 7 A. And I know that because some of the fighters that were in the WEC had fought for various organizations. So the obvious conclusion there is that there had to have been multiple other fight promotions that promoted fights within those weight classes.	76
1 but we had full-time employees dedicating their time solely to the promotion, marketing, operations of the WEC. 2 Q. So let me ask again in a slightly different way. 3 Did Zuffa's acquisition of the WEC enable it to acquire fighters in lower weight classes that Zuffa, LLC didn't promote fights for under any of its brands? 4 A. Yes. 5 Q. Okay. And at the time of the WEC acquisition by Zuffa, LLC, what, if any, competitors existed in the weight classes that existed within the WEC? 6 A. Can you give me a time frame reference. 7 Q. I'm talking about at the time of the acquisition, the time that Zuffa acquired WEC. 8 A. Right. There were a number of promotions around the world that promoted fights within the lower weight classes. 9 Q. How about in North America? 10 A. I believe that there were, yes. 11 Q. Okay. And which of those did -- at the time of Zuffa's acquisition of the WEC, did you believe were competitors for the weight classes that	75	1 So at that time, promotions like Shuto had a very, very strong presence in the lower weight classes. 2 Pancrase, very strong presence in the lower weight classes. 3 Primarily because if you think about, you know, even when you look at some of the Asian countries in the Olympics, they tend to dominate and do better in the lower weight categories and such.	77

20 (Pages 74 to 77)

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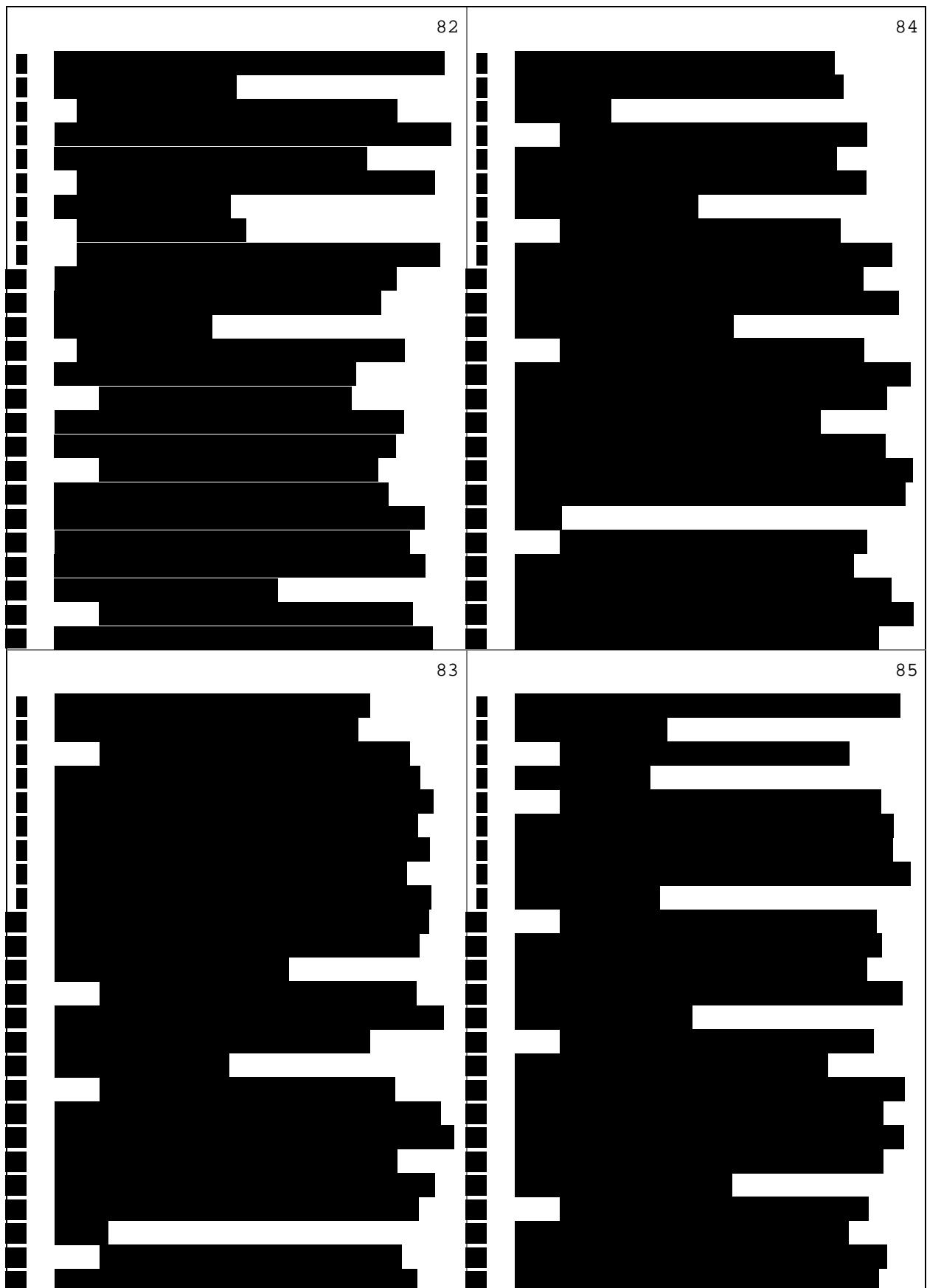
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21 (Pages 78 to 81)

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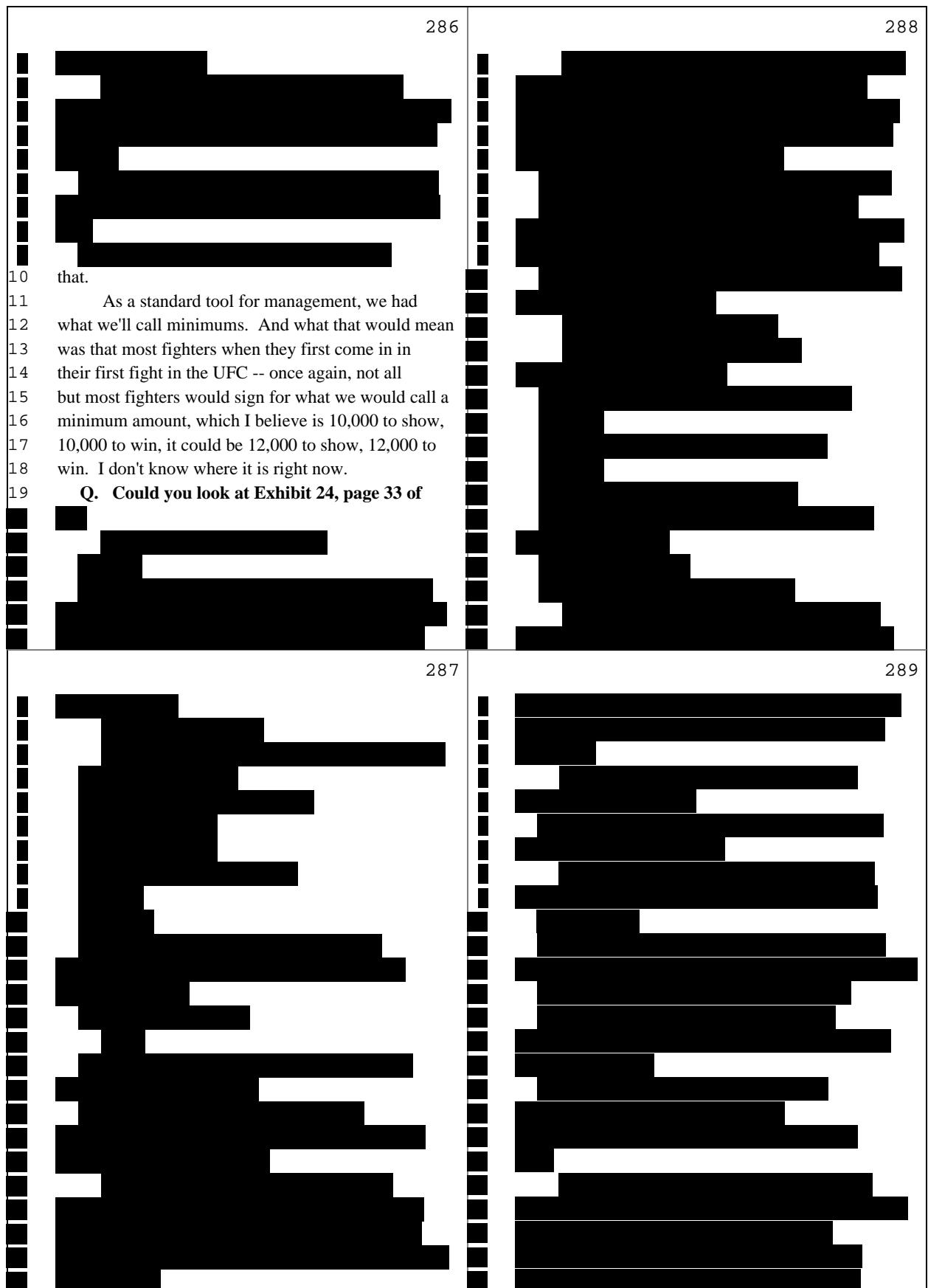
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22 (Pages 82 to 85)

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73 (Pages 286 to 289)

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75 (Pages 294 to 297)

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